

LUCKY MINERALS INC.

Condensed Interim Consolidated Financial Statements

For the Three Months and Six Months Ended March 31, 2017 and 2016

(Unaudited - Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – *Interim Financial Reporting*.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with standards established by the Canadian Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

LUCKY MINERALS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited, in Canadian dollars)

	Note	March 31, 2017	September 30, 2016
ASSETS			
Current Assets			
Cash		\$ 2,855	\$ 15,885
Prepaid expenses		4,125	8,888
GST receivable		2,517	8,620
		9,497	33,393
Equipment	4	1,050	1,235
Exploration and evaluation assets	5	604,550	555,337
TOTAL ASSETS		\$ 615,097	\$ 589,965
LIABILITIES AND EQUITY			
Current Liabilities			
Trade payables and accrued liabilities	6	\$ 78,162	\$ 12,300
TOTAL LIABILITIES		78,162	12,300
Equity			
Share capital	7	1,896,508	1,896,508
Share-based payment reserve	7	466,000	466,000
Deficit		(1,825,573)	(1,784,843)
TOTAL EQUITY		536,935	577,665
TOTAL LIABILITIES AND EQUITY		\$ 615,097	\$ 589,965
Nature and continuance of operations	1		
Commitments	5		

On behalf of the Board

"Sonny Janda"
Sonny Janda, Director

"Robert Rosner"
Robert Rosner, Director

The accompanying notes are an integral part of these financial statements.

LUCKY MINERALS INC.**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE THREE AND SIX-MONTH PERIODS ENDED MARCH 31,**

(Unaudited, in Canadian dollars)

	Note	Three Months Ended March 31,		Six Months Ended March 31,	
		2017	2016	2017	2016
Expenses					
Advertising and promotion		\$ -	\$ 5,805	-	\$ 11,430
Amortization	4	92	132	185	265
Bank charges and interest		79	110	224	179
Consulting		-	-	2,500	-
Foreign exchange		71	932	(161)	3,327
Management	8	1,500	15,000	21,000	30,000
Professional fees		1,300	2,680	2,600	4,530
Rent		1,500	9,000	6,000	18,000
Transfer agent and regulatory fees		5,500	5,590	8,382	12,763
		10,042	39,249	40,730	80,494
Other items					
Interest Income		-	(25)	-	(25)
		-	(25)	-	(25)
Net loss and comprehensive loss		\$ (10,042)	\$ (39,224)	\$ (40,730)	\$ (80,469)
Basic and diluted loss per share		\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted Average number of common shares outstanding					
- basic and diluted		55,312,838	55,300,053	55,306,375	55,300,053

The accompanying notes are an integral part of these financial statements.

LUCKY MINERALS INC.**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Unaudited, in Canadian dollars, except share number)

	Issued Common Shares		Reserves		Deficit	Total
	Number	Amount	Option	Warrant		
Balance at September 30, 2015	55,300,053	1,896,508	234,067	466,000	(1,826,937)	769,638
Net and comprehensive loss	-	-	-	-	(80,469)	(80,469)
Balance at March 31, 2016	55,300,053	1,896,508	234,067	466,000	(1,907,406)	689,169
Reallocation of cancelled and expired options	-	-	(234,067)	-	234,067	-
Net and comprehensive loss	-	-	-	-	(111,504)	(111,504)
Balance at September 30, 2016	55,300,053	1,896,508	-	466,000	(1,784,843)	577,665
Issuance of Shares for option extension	50,030	-	-	-	-	-
Net and comprehensive loss	-	-	-	-	(40,730)	(40,730)
Balance at March 31, 2017	55,350,083	\$ 1,896,508	\$ -	\$ 466,000	\$ (1,825,573)	\$ 536,935

The accompanying notes are an integral part of these financial statements.

LUCKY MINERALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED MARCH 31,
(Unaudited, in Canadian dollars)

	2017	2016
Operating activities		
Net loss for the period	\$ (40,730)	\$ (41,642)
Adjustments for non-cash items		
Amortization	185	529
	(40,545)	(41,113)
Changes in non-cash working capital items		
GST receivable	6,103	(2,094)
Prepaid expenses	4,763	6,776
Trade payables and accrued liabilities	42,577	(7,040)
Net cash flows used in operating activities	12,898	(43,471)
Investing activities		
Option payment for mining interests	(6,714)	(13,303)
Exploration and evaluation asset expenditures	(19,214)	-
Net cash flows used in investing activities	(25,928)	(13,303)
Change in cash during the period	(13,030)	(56,774)
Cash, beginning of period	15,885	292,348
Cash, end of period	\$ 2,855	\$ 235,574

The accompanying notes are an integral part of these financial statements.

LUCKY MINERALS INC.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2017

(Unaudited, expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Lucky Minerals Inc. (the “Company”) was incorporated under the Business Corporations Act of British Columbia on May 7, 2007 for the purpose of acquiring and exploring mineral property interests. The Company is trading on the TSX Venture Exchange (the “Exchange”) under the symbol “LJ”, and on the Frankfurt Stock Exchange. The head office, principal address and records office of the Company are located at Suite 202, 905 West Broadway, Vancouver, British Columbia, Canada, V5Z 4M3.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future.

As at March 31, 2017, the Company had not advanced its exploration and evaluation assets to commercial production and is not able to finance day-to-day activities through operations. The Company’s continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and/or private placement of common shares.

These financial statements were approved and authorized for use by the Board of Directors on May 30, 2017.

2. STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 *Interim Financial Reporting* and should be read in conjunction with the annual consolidated financial statements for the year ended September 30, 2016, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

LUCKY MINERALS INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2017

(Unaudited, expressed in Canadian dollars)

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**Basis of Preparation**

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Lucky Minerals (Montana) Inc., incorporated on May 30, 2014 in the state of Montana, USA.

Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated upon consolidation.

Significant Estimates and Assumptions

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if it affects both current and future periods.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets, and provisions for restoration and environmental obligations.

LUCKY MINERALS INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2017

(Unaudited, expressed in Canadian dollars)

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Significant Judgments

The preparation of these financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification of expenditures as exploration and evaluation expenditures or operating expenses.

4. EQUIPMENT

	Computer	Automotive	Total
	\$	\$	\$
Cost:			
As at September 30, 2016 and March 31, 2017	1,896	14,050	15,946
Accumulated amortization:			
As at September 30, 2015	(1,675)	(12,507)	(14,182)
Charge for the year	(66)	(463)	(529)
As at September 30, 2016	(1,741)	(12,970)	(14,711)
Charge for the period	(23)	(162)	(185)
As at March 31, 2017	(1,764)	(13,132)	(14,896)
Net book value:			
As at September 30, 2016	155	1,080	1,235
As at March 31, 2017	132	918	1,050

LUCKY MINERALS INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2017

(Unaudited, expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Emigrant \$	St. Julien \$	Total \$
As at September 30, 2015	473,503	-	473,503
Acquisition	16,565	27,399	43,964
Exploration	18,667	19,203	37,870
As at September 30, 2016	508,735	46,602	555,337
Acquisition	-	40,282	40,282
Exploration	6,986	1,945	8,931
As at March 31, 2017	515,721	88,829	604,550

Emigrant Project, USA

On June 15, 2014, the Company entered into an agreement with an arm's length party to have an option agreement assigned to the Company (the "Assignment Agreement"). Pursuant to the Assignment Agreement, the Company has an option to acquire a 100% interest in certain claims in Montana USA for the following consideration:

Due Date	Cash (USD)
June 1, 2013	5,000 (Paid)
October 1, 2013	5,000 (Paid)
June 1, 2014	15,000 (Paid)
June 1, 2015	20,000 (Paid)
June 1, 2016	25,000*
June 1, 2017	30,000
June 1, 2018	35,000
June 1, 2019	40,000
June 1, 2020	45,000
June 1, 2021	50,000
Each subsequent year until \$1,000,000 has been paid	50,000
Total	1,000,000

LUCKY MINERALS INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2017

(Unaudited, expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (Continued)**Emigrant Project, USA (Continued)**

- * In May 2016, the Company negotiated with the optionor to amend the above payment schedule to USD \$10,000 per year commencing from June 1, 2016 until such time that the Company has received permission to drill and explore the property from the appropriate government authorities, after which the original payment schedule is resumed until the option price is paid in full. In accordance with the amended payment schedule, the Company paid USD \$10,000 to the optionor during the year ended September 30, 2016.

The optionor will retain a 2% net smelter royalty (“NSR”). The Company may acquire 1.8% of the NSR by paying \$1,500,000 within 9 months of commercial production.

St. Julien Project, USA

Effective November 1, 2015, the Company entered into a property option agreement with an arm’s length party to acquire a 100% interest in certain claims comprising the St. Julien property located in Montana, USA, for the following consideration:

Due Date	Cash (USD)
November 1, 2015	10,000 (Paid)
February 1, 2016	10,000 (Paid)
November 1, 2016	30,000*
November 1, 2017	40,000
November 1, 2018	50,000
November 1, 2019	60,000
November 1, 2020	70,000
November 1, 2021	80,000
November 1, 2022	90,000
November 1, 2023	100,000
November 1, 2024	110,000
November 1, 2025	120,000
Total	770,000

LUCKY MINERALS INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2017

(Unaudited, expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (Continued)**St. Julien Project, USA (Continued)**

* The payment of \$30,000 due on November 1, 2016 was renegotiated between the parties as follows:

- \$5,000 due November 17, 2016 (paid);
- \$25,000 due April 15, 2017.

In March 2017, the Company issued 50,030 common shares as compensation to the optionor for the April extension. In April 2017, the Company paid the \$25,000 due.

The Company will pay a late charge of 5% for any payment, which is not paid within 15 days of its due date.

The optionor will retain a 3% NSR. The Company may acquire 2% of the NSR by paying a one-time sum of USD \$5,000,000 within 12 months of commercial production. The Company may acquire the remaining 1% of the NSR by paying a one-time sum of USD \$2,500,000 within 24 months of commercial production.

6. TRADE PAYABLES AND ACCRUED LIABILITIES

	March 31, 2017	September 30, 2016
	\$	\$
Accounts payable	76,062	-
Accruals	2,100	12,300
	<u>78,162</u>	<u>12,300</u>

7. SHARE CAPITAL**Authorized Share Capital**

Unlimited number of common shares without par value.

LUCKY MINERALS INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2017

(Unaudited, expressed in Canadian dollars)

7. SHARE CAPITAL (Continued)**Stock Options**

The Company has adopted a stock option plan whereby the Company may from time to time in accordance with the Exchange requirements grant to directors, officers, employees and consultants options to purchase common shares of the Company provided that the number of options granted, including all options granted by the Company to date, does not exceed 10% of the Company's common shares issued and outstanding at the time of granting stock options. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

The Company does not have any outstanding options as at September 30, 2016 and March 31, 2017.

Warrants

A continuity of the Company's warrants is as follows:

	Number of Warrants	Weighted average exercise price \$	Weighted average number of years to expiry
Balance, September 30, 2015	11,000,000	0.15	3.70
Granted / (Expired)	-	-	-
Balance, September 30, 2016	11,000,000	0.15	2.70
Granted / (Expired)	-	-	-
Balance, March 31, 2017	11,000,000	0.15	2.20

Share-Based Payment Reserve

The share-based payment reserve records stock options and share purchase warrants recognized as stock-based compensation expense until such time that the stock options or warrants are exercised, at which time the corresponding balance is transferred to share capital or such time that the instruments expire at which time the corresponding balance is transferred to deficit.

LUCKY MINERALS INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2017

(Unaudited, expressed in Canadian dollars)

8. RELATED PARTY TRANSACTIONS

During the six-month period ended March 31, 2017, the Company incurred \$6,986 (March 31, 2016 - \$nil) in exploration expense with Geologic Systems Ltd., a company controlled by Director Shaun Dykes.

Key Management Compensation

During the six-month period ended March 31, 2017, the Company incurred \$15,000 (March 31, 2016 - \$30,000) to the Company's CEO for consulting services.

9. SEGMENTED INFORMATION**Geographic Segments**

The Company's non-current assets are located in the following countries:

	As at March 31, 2017		
	Canada	USA	Total
	\$	\$	\$
Equipment	1,050	-	1,050
Exploration and evaluation assets	-	604,550	604,550
	1,050	604,550	605,600

	As at September 30, 2016		
	Canada	USA	Total
	\$	\$	\$
Equipment	1,235	-	1,235
Exploration and evaluation assets	-	555,337	555,337
	1,235	555,337	556,572

LUCKY MINERALS INC.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2017

(Unaudited, expressed in Canadian dollars)

10. SUBSEQUENT EVENTS

In April 2017, the Company entered into a loan agreement of \$40,000 with a company with common management. Interest rate is 5% per annum and the loan is due and payable on demand.

In April 2017, the Company appointed Mr. Robert Rosner as a new member of its board of directors.

In May 2017, the Company announced it is offering a private placement of 10 million units at a price of \$0.075 per unit for total proceeds of up to \$750,000. Each unit consists of one common share of the Company and one-half of one share-purchase warrant. Each whole warrant shall be exercisable into one common share at an exercise price of \$0.10 per share for a term of two years from closing.

In May 2017, Mr. Bruce Thorndycraft resigned as a director of the Company, and Mr. Jared Scharf resigned as Chief Financial Officer (“CFO”). The Company appointed Mr. Francis Akpata as a new director and Mr. Robert Rosner as the new Chief Financial Officer.